

Message Text

LIMITED OFFICIAL USE

PAGE 01 MANAGU 03091 102018Z

ACTION EB-08

INFO OCT-01 ARA-10 ISO-00 SOE-02 AID-05 CEA-01 CIAE-00

COME-00 DODE-00 DOE-15 H-01 INR-10 INT-05 L-03

NSAE-00 NSC-05 OMB-01 PM-05 ICA-11 OES-09 SP-02

SS-15 STR-07 TRSE-00 ACDA-12 NRC-05 /133 W

-----076773 111820Z /46

R 072101Z JUL 78

FM AMEMBASSY MANAGUA

TO SECSTATE WASHDC 7059

LIMITED OFFICIAL USE MANAGUA 3091

E.O. 11652: N/A

TAGS: ENRG, NU

SUBJECT: PETROLEUM DEVELOPMENTS IN NICARAGUA

1. GLOBAL ENERGY COMPANY, A WHOLLY-OWNED SUBSIDIARY OF AMCORP ROSARIO RESOURCES PLANS TO START ON-SHORE OIL EXPLORATION NEXT NOVEMBER IN THE LAGUNA DE WOUNTA AREA, NORTH OF PRINZAPOLKA ON NICARAGUA' CARIBBEAN COAST. GLOBAL'S PRESIDENT, FRANK K. FISK, TOLK ECONOFF THAT GLOBAL WILL FORM A LOCAL JOINT VENTURE COMPANY, PETROLEOS TITAN, S.A. TO CONDUCT THE EXPLORATIONS, PARTNERS IN TITAN ARE EXPECTED TO BE, IN ADDITION TO GLOBAL, A CANADIAN FIRM AND NICARAGUAN INTERESTS. THE LATTER WILL PROBABLY INCLUDE THE MCGREGOR FAMILY, THE SPENCER FAMILY AND PRESIDENT SOMOZA'S FAMILY.

2. GLOBAL CONDUCTED LAST SPRING (AT A COST OF ABOUT \$1 MILLION) SOME "GRAVITY" STUDIES OF NICARAGUA'S WEST COAST IN ORDER TO DETERMINE OIL POTENTIAL. FISK INDICATED. HE DID NOT SAY WHAT CONCLUSIONS WERE REACHED.

3. ANOTHER AMERICAN FIRM, UNION OIL COMPANY, FOUND SOME PROMISING OIL-BEARING STRATA DURING ITS DRILLING EXERCISE OFF NICARAGUA'S EAST COAST, ACCORDING TO A USUALLY RELIABLE SOURCE. UNION'S LEASED RIG WAS TO HAVE BEEN TRANSFERRED TO COLOMBIA WATERS IN LATE

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MANAGU 03091 102018Z

SPRING AFTER DRILLING IN NICARAGUAN WATERS. HOWEVER, OWING TO A DELAY IN RECEIVING PERMISSION TO BRING THE RIG TO COLOMBIA, THE COMPANY DRILLED 600 FEET DEEPER THAN ORIGINALLY PLANNED AT THE NICARAGUAUN SITES. THE WELL REPORTEDLY HIT VERY PROMISING OIL-RELATED MATERIALS AT THAT GREATER DEPTH. UNFORTUNATELY, THE COMPANY WOULD-N'T DRILL MORE EXTENSIVELY TO CHECK OUT THIS FINDING AS THE LEASED RIG HAD TO BE MOVED. UNION WILL DRILL AGAIN IN THE SAME AREA AS

SOON AS IT CAN BRING IN ANOTHER RIG. THE SOURCE ADDED THAT UNION DOES NOT PLAN TO INFORM THE GOV OF ITS TENTATIVE FINDINGS UNTIL THEY ARE CONFIRMED BY FURTHER DRILLING.

4. TEXACO AND OCCIDENTAL HAVE DRILLED DURING THE PAST YEAR OR SO IN NICARAGUA'S CARIBBEAN WATERS WITHOUT, APPARENTLY, FINDING COMMERCIALY EXPLOITABLE OIL OR GAS DEPOSITS.
SOLAUN

NOTE BY OC/T: TELEGRAM DELAYED IN TRANSMISSION

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM INDUSTRY, EXPLORATION, JOINT VENTURES
Control Number: n/a
Copy: SINGLE
Draft Date: 07 jul 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978MANAGU03091
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780284-0014
Format: TEL
From: MANAGUA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780786/aaaacupu.tel
Line Count: 72
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: f1616479-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2088956
Secure: OPEN
Status: NATIVE
Subject: PETROLEUM DEVELOPMENTS IN NICARAGUA
TAGS: ENRG, NU, GLOBAL ENERGY CO
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/f1616479-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014